

SUPPLEMENT

BETWEEN THE SECRETARY OF DEFENSE ON BEHALF OF THE

DEPARTMENT OF DEFENSE

OF THE UNITED STATES OF AMERICA

AND THE

SECRETARY OF STATE FOR DEFENCE

OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

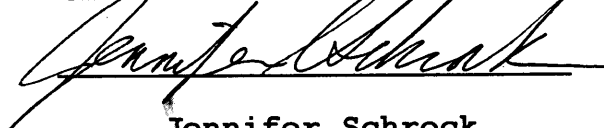
UNDER THE MEMORANDUM OF UNDERSTANDING

CONCERNING THE COOPERATIVE FRAMEWORK FOR ENGINEERING AND

MANUFACTURING DEVELOPMENT OF THE

JOINT STRIKE FIGHTER

CERTIFIED TO BE A TRUE COPY



Jennifer Schrock

Navy IPO 01C4

JAN 23 2001

TABLE OF CONTENTS

INTRODUCTION	2
SECTION I	
DEFINITIONS OF TERMS AND ABBREVIATIONS.....	4
SECTION II	
OBJECTIVES AND SCOPE	5
SECTION III	
MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)	6
SECTION IV	
FINANCIAL PROVISIONS	8
SECTION V	
CONTRACTING PROVISIONS	9
SECTION VI	
JOINTLY ACQUIRED EQUIPMENT	9
SECTION VII	
DISCLOSURE AND USE OF PROJECT INFORMATION	9
SECTION VIII	
SECURITY	11
SECTION IX	
AMENDMENT, WITHDRAWAL, ENTRY INTO EFFECT, AND DURATION	12
ANNEX A	
SUPPLEMENT MANAGEMENT STRUCTURE	14
ANNEX B	
JSF COOPERATIVE PROJECT PERSONNEL	15

INTRODUCTION

The Secretary of Defense on behalf of the Department of Defense of the United States of America (U.S. DoD) and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (U.K. MOD), hereinafter referred to as the "Participants":

Recognizing that this Supplement is subject to the Memorandum of Understanding between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland concerning the Cooperation Framework for Engineering and Manufacturing Development of the Joint Strike Fighter (JSF EMD Framework MOU) and any amendments thereto;

Recognizing that a Declaration of Principles for Defense Equipment and Industrial Cooperation was signed by the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland on February 5, 2000;

Desiring to improve their mutual conventional defense capabilities through the joint development, sharing and application of emerging technology through full cooperation on technology release throughout the Engineering, and Manufacturing Development Phase of the JSF Program and any cooperation in subsequent phases;

Having regard to the need of the U.S. Marine Corps to replace the AV-8B and F/A-18 aircraft, and the needs of the U.K. Royal Navy and Royal Air Force for a supersonic interceptor and ground attack aircraft to replace the Sea Harrier FA2 and Harrier GR-7;

Recognizing the unique and substantial technical contributions that the U.K. MOD has made to the JSF Program in the Core plus Short Take-Off and Vertical Landing (STOVL) portion of the Joint Strike Fighter (JSF) Program Concept Demonstration Phase pursuant to the Memorandum of Understanding concerning the Framework for Joint Advanced Strike Technology Cooperation of 20 December 1995 between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, and the Project Annex thereto for the

Joint Advanced Strike Technology Core plus Short Take-Off,
Vertical Landing Concept Demonstration of 20 December 1995;

Confirming that the U.K. MOD will be the sole full
Participant with the U.S. DoD in this Project;

Looking forward to the continued substantial managerial and
technical contributions of the U.K. MOD as the sole full
Participant in this Project;

Confirming that, as the sole full Participant in this
Project, the U.K. MOD is entitled to participate at a level
not available to additional Participants, including but not
limited to: the right of initial selection among available
JSF Program Office billets, which will result in the
assignment of up to ten U.K. MOD personnel to desired
Integrated Product Team billets; additional rights to
Project Information; and the right to full participation in
the source selection process, as documented in the JSF
Source Selection Plan;

Emphasizing the great importance of the U.K. MOD's
participation in the JSF Program to furthering
interoperability and coalition warfighting;

Desiring to extend their JSF cooperation into the
Engineering and Manufacturing Development (EMD) Phase with a
view to subsequent cooperation in JSF developmental
upgrades, production, and support; and

Affirming that if the U.S. DoD and U.K. MOD decide to extend
their cooperation to JSF production and support, they will
use their best efforts to ensure that such cooperation
maximizes benefits (including financial) that will accrue to
each of them;

Have reached the following understandings:

SECTION I
DEFINITION OF TERMS AND ABBREVIATIONS

The Participants have jointly decided upon the following definitions for terms used in this Supplement.

Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of either Participant.
JSF Cooperative Project Personnel	U.K. MOD military members or civilian employees assigned to the JSF Program Office or U.S. DoD field activities who perform managerial, engineering, technical, administrative, Contracting, logistics, financial, planning or other functions in furtherance of the Project.

SECTION II

OBJECTIVES AND SCOPE

2.1. The objective of this Supplement is to establish the detailed provisions concerning the responsibilities and benefits of the Participants under the Project in accordance with paragraph 2.1 of the JSF EMD Framework MOU.

2.2. The JSF joint Operational Requirements Document (ORD) and the Joint Model Specification (JMS) provides guidance to the JSF prime Contractor for conducting JSF EMD Phase efforts. Any changes to those documents which affect the STOVL variant will be jointly approved by the U.S. DoD and U.K. MOD. The U.K. MOD will also participate in the change control and approval process for the Contract Specification.

2.3. The U.S. DoD will use its best efforts in accordance with Sections III (Scope of Work) and IV (Management (Organization and Responsibility)) of the JSF EMD Framework MOU to utilize the managerial and technical expertise of the U.K. MOD in the development and implementation of JSF EMD management and control processes. The U.K. National Deputy will be responsible to recommend U.K. MOD processes that may be of benefit to the Project.

2.4. The U.S. DoD will use its best efforts to provide the U.K. MOD with the opportunity to obtain equipment and systems produced under U.S. DoD programs other than the JSF Program, to the extent that such equipment and systems are needed to meet the JSF Air System performance requirements specified in the joint ORD and further detailed in the JMS.

2.5. The U.S. DoD and U.K. MOD intend to pursue future cooperation in developmental upgrades, production and support, to include continued weapons certification, under separate arrangements.

SECTION III

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

3.1. The JSF EMD Framework MOU established the Executive Committee (EC) and provided that the U.S. DoD EC representative will be the JSF Program Director (or successor in the event of reorganization). The U.K. MOD EC representative will be the Future Carrier-Borne Aircraft Team Leader (FCBA TL) (or successor in the event of reorganization).

3.2. The JSF EMD Framework MOU also provided for plenary EC meetings. The U.S. DoD and the U.K. MOD EC representatives will hold semi-annual U.S. DoD-U.K. MOD-only meetings to address issues of concern to the Supplement; additional meetings will be held at the request of either representative, giving one month's notice to the other, when appropriate. The Participant hosting the Supplement-specific EC meeting will chair the meeting, unless otherwise mutually determined. In addition to the Supplement-specific EC responsibilities contained in paragraph 4.5 of the JSF EMD Framework MOU, the following EC responsibilities under this Supplement will require unanimous decisions:

- 3.2.1 Ensuring U.K. MOD participation in the JSF EMD source selection process.
- 3.2.2 Approving and maintaining oversight of the U.S. DoD-U.K. MOD JSF Program Office Integrated Project Team (IPT) Personnel Description Document (PDD).
- 3.2.3 Amending Annex A (Supplement Management Structure)

3.3. The U.S. DoD and U.K. MOD EC representatives will also promptly apprise and consult on any matters that affect the Supplement and resolve any issues brought forth by the Director, JSF International Directorate (JSF/ID) and the U.K. National Deputy.

3.4. In addition to the responsibilities related to the Supplement described in paragraph 4.7 of the JSF EMD Framework MOU, the Director, JSF/ID, will be responsible for:

- 3.4.1. Preparing, in conjunction with the U.K. National Deputy, a U.S. DoD/U.K. MOD JSF Program Office IPT PDD

for the approval of the U.S. DoD and U.K. MOD EC members.

3.4.2. Referring to the U.S. DoD and U.K. MOD EC members issues related to the Supplement that the Director, JSF/ID cannot resolve.

3.4.3. Accountability to the U.S. DoD and U.K. MOD EC members for timely release of Project Information furnished by the U.S. DoD to both U.K. MOD IPT members and U.K.-based MOD personnel.

3.5. The U.K. MOD will provide a National Deputy and a supporting staff in accordance with Annex A, who will be assigned to IPTs within the JSF Program Office and U.S. DoD field activities. Specific U.K. National Deputy responsibilities are identified in Section 3.6 below. Specific IPT responsibilities for U.K. MOD personnel will be identified in the U.S. DoD/U.K. MOD JSF Program Office IPT PDD. Additionally, Annex B (JSF Cooperative Project Personnel) establishes provisions for the general conduct of U.K. MOD personnel located in the JSF Program Office and U.S. DoD field activities. Annex A (Supplement Management Structure) depicts the management structure established for this Supplement.

3.6. In addition to assigned IPT responsibilities, the U.K. National Deputy will be responsible for:

3.6.1. Supporting the Director, JSF/ID in the day-to-day administrative management of both the JSF EMD Framework MOU and this Supplement, to include oversight of the U.K. assigned staff.

3.6.2. Providing day-to-day MOD representation within the JSF Program Office on all matters related to the Project.

3.6.3. Assisting the JSF/ID in developing the Financial Management Procedures Document (FMPD), Project Security Instruction and Classification Guide, and IPT PDD.

3.6.4. Performing other tasks, as may be assigned by the Director, JSF/ID.

3.7. The U.K. MOD will have representation on relevant JSF oversight committees to include, but not limited to, the Joint Advisory Group (JAG) and Logistics Advisory Council (LAC), as mutually determined.

3.8. In the event external audits concerning the Project are conducted by the supreme audit institutions of the Participants' nations, such reports will be provided by the applicable Participant to the EC representative of the other Participant.

SECTION IV

FINANCIAL PROVISIONS

4.1. The U.K. MOD share of the Financial Cost Target of the Project, as identified in Section V (Financial Provisions) of the JSF EMD Framework MOU, is \$2.056 billion Then Year U.S. dollars. In no event will the U.K. MOD share of the Financial Cost Target be increased without the written consent of the U.K. EC representative on behalf of the U.K. MOD. The U.K. MOD non-financial contribution includes the personnel assigned to the JSF Program Office and DoD field activities in accordance with Annex A (Supplement Management Structure). The U.S. DoD share of the Financial Cost Target is established in Section V (Financial Provisions) of the JSF EMD Framework MOU.

4.2. Recognizing that it is important to both Participants to minimize the exchange rate risk upon the cost of the Project, the Participants will use their best efforts to formulate a solution that will be reflected in the FMPD.

4.3. On any future sale by the U.S. Government to the U.K. Government of the Air System, the U.S. DoD will exclude from the price of the Air System all of the U.S. DoD research and development costs incurred for the Air System, provided that the U.K. MOD does not withdraw from the EMD Framework MOU and this Supplement. U.S. DoD research and development costs incurred for the Air System will not apply to any Air Systems that may be exported to the U.K. MOD pursuant to U.S. commercial export licenses in accordance with any future cooperative production arrangements.

SECTION V

CONTRACTING PROVISIONS

5.1. The Participants recognize that the provisions of the Memorandum of Understanding between the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland Relating to the Principles Governing Co-operation in Research and Development, Production, Procurement and Logistic Support of Defense Equipment of 13 December 1994 establish the principle that full consideration will be given to all qualified sources in each other's country in accordance with the policies and criteria of the relevant Contracting Agency.

5.2 The JSF PD will ensure that the U.K. MOD is notified no later than 1600 Washington, DC, time on the day of the U.S. DoD source selection authority's decision for the award of the prime Contract for the JSF Air System. Public announcement of that selection will occur no sooner than forty-eight (48) hours from U.K. MOD notification.

5.3. The U.S. DoD will provide the U.K. MOD with insight into the subcontracting for the Project via IPT participation, attendance at Program Management Reviews, and access to the JSF Program Office electronic network. Through JSF acquisition strategy reviews and other acquisition processes, the Participants will have insight regarding appropriate, high-value subcontract competitions conducted during Contract performance (as mutually determined by the U.S. DoD and U.K. MOD EC representatives), in order to verify that such competitions are conducted fairly and provide best value.

SECTION VI

JOINTLY ACQUIRED EQUIPMENT

6.1. In those instances in which the U.S. DoD elects to dispose of Jointly Acquired Equipment by transferring such equipment to another Participant in accordance with paragraph 7.6 of the JSF EMD Framework MOU, the U.S. DoD will first offer to transfer that equipment to the U.K. MOD.

SECTION VII

DISCLOSURE AND USE OF PROJECT INFORMATION

7.1. In accordance with paragraph 8.1.2 of Section VIII (Disclosure and Use of Project Information) of the JSF EMD Framework MOU, the following disclosure limitations will apply to this Supplement: The U.S. DoD will not disclose Project Information contrary to its national disclosure policies.

7.2. In keeping with the provisions for maximizing Project Information disclosure within national disclosure policies, as contained in paragraph 8.1.2 of Section VIII (Disclosure and Use of Project Information) of the JSF EMD Framework MOU, the U.S. DoD will use its best efforts to ensure that the U.K. MOD receives all of that Project Information acquired in the implementation of Section III (Scope of Work) of the JSF EMD Framework MOU which is necessary to operate and support the U.K. MOD's JSF Air System.

7.3. In accordance with paragraph 8.1.3 of Section VIII (Disclosure and Use of Project Information) of the JSF EMD Framework MOU, the extent and manner to which the U.K. MOD will be given access to electronically provided Project Foreground Information are as follows: The U.K. MOD will have timely access to such electronic data to the extent consistent with the disclosure limitations in paragraph 7.1 of this Supplement.

7.4. Paragraphs 8.2.2, 8.4.2, and 8.5.2 of Section VIII (Disclosure and Use of Project Information) of the JSF EMD Framework MOU require that each Supplement specify the purposes for which each Participant other than the U.S. DoD may use or have used Government Project Foreground Information, Contractor Project Foreground Information, and Contractor Project Background Information delivered under Contracts awarded in accordance with the JSF EMD Framework MOU, respectively. For the U.K. MOD, those purposes will be JSF Purposes.

7.5. The Participants confirm that the Project Background Information required for achieving the JSF interface performance requirements for the UK JSF Air System specified in the JMS is "necessary to" and "useful in" the Project in accordance with paragraphs 8.3.1.1 and 8.5.1.1 of the JSF EMD Framework MOU. The Participants further confirm that such Project Background Information also remains subject to the provisions of paragraphs 8.3.1.2, 8.3.1.3, 8.5.1.2 and 8.5.1.3 of the JSF EMD Framework MOU.

7.6. Paragraph 8.8.2 and 8.8.6 of Section VIII (Disclosure and Use of Project Information) of the JSF EMD Framework MOU require each Supplement to specify the purposes for which a

Participant other than the U.S. DoD may practice or have practiced Project Inventions for which a Contractor or a Participant, respectively, grants a license under its Patents. For the U.K.MOD, those purposes will be JSF Purposes, except that as to U.S. DoD's patents, the U.K. MOD's rights of use under paragraph 8.8.6 of the JSF EMD Framework MOU will be Defense Purposes. As permitted under paragraph 8.8.6 of the JSF EMD Framework MOU, the U.S. DoD's rights of use as to U.K. MOD's patents will be Defense Purposes.

7.7. The Participants recognize that any Supplement to the JSF EMD Framework MOU, entered subsequent to this Supplement, will not provide for greater or the same rights of use provided under paragraphs 7.4 and 7.6 of this Supplement.

SECTION VIII

SECURITY

8.1. All Classified Information or Material provided or generated pursuant to the MOU will be stored, handled, transmitted, and safeguarded in accordance with the General Security Agreement between the United Kingdom and the United States of America of 14 April 1961, as amended on 19 December 1983, and including the Industrial Security Annex dated 18 April 1984.

8.2. Existence of this Supplement is UNCLASSIFIED and the contents are UNCLASSIFIED.

SECTION IX

AMENDMENT, WITHDRAWAL, ENTRY INTO EFFECT, AND DURATION

9.1. The Participants recognize that in order to have the benefit of participating in the JSF EMD source selection process, the U.K. MOD is entering into the JSF EMD Framework MOU and this Supplement prior to the commencement of that process. The Participants also recognize that the U.S. DoD Milestone II acquisition decision to enter into the EMD Phase will not be made until after source selection. The U.K. MOD may decide to withdraw from the MOU and its Supplement if any of the following applies: (1) the U.K. MOD concludes that U.S. DoD decisions concerning the outcome of the RAND Corporation study of the JSF acquisition strategy would have a significant negative impact on U.K. participation in the JSF Program; (2) the STOVL Air Vehicle of the source selected during source selection has not met its DoD Milestone I exit criteria prior to the Milestone II decision; or (3) that source's Air System does not meet the performance requirements in the JMS, the schedule requirements in the joint ORD, and the Financial Cost Target specified in paragraph 5.2 of the JSF EMD Framework MOU. Such withdrawal must take place within fifteen (15) calendar days after the Milestone II decision or before the date of Contract signature, whichever occurs first.

9.2. In the event that the U.K. MOD withdraws under the circumstances described in paragraph 9.1, the U.K. MOD will not be responsible for those modification or termination costs for the prime Contract that are identified in paragraph 18.6.2 of the JSF EMD Framework MOU. The U.K. MOD will, however, bear any reasonable costs associated with the withdrawal of U.K. MOD personnel situated in the JSF Program Office or U.S. DoD field activities, as determined by the U.S. DoD and U.K. MOD EC members.

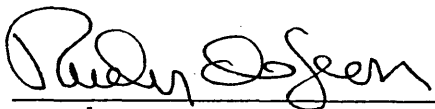
9.3. This Supplement may be amended in accordance with Section XVIII (Amendment, Withdrawal, Termination, Entry into Effect, and Duration) of the JSF EMD Framework MOU.

9.4. This Supplement, which consists of nine (9) Sections and two (2) Annexes, will enter into effect upon signature by both Participants and will remain in effect for 15 years. It may be extended by the written consent of the Participants.

The foregoing represents the understandings reached between the Secretary of Defense on behalf of the Department of Defense of the United States of America and the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland upon the matters referred to therein.

Signed in duplicate, in the English language, at Washington, D.C. on January 17, 2001, by authorized representatives.

FOR THE SECRETARY OF
DEFENSE ON BEHALF OF
THE DEPARTMENT OF
DEFENSE OF THE UNITED
STATES OF AMERICA



Signature

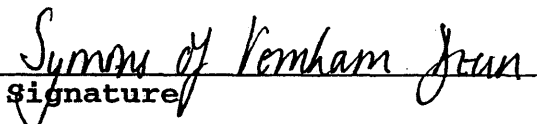
Rudy de Leon

Name

Deputy Secretary of
Defense

Title

FOR THE SECRETARY OF
STATE FOR DEFENCE OF THE
UNITED KINGDOM OF GREAT
BRITAIN AND NORTHERN
IRELAND



Signature

The Right Honourable
Baroness Symons of
Vernham Dean

Name

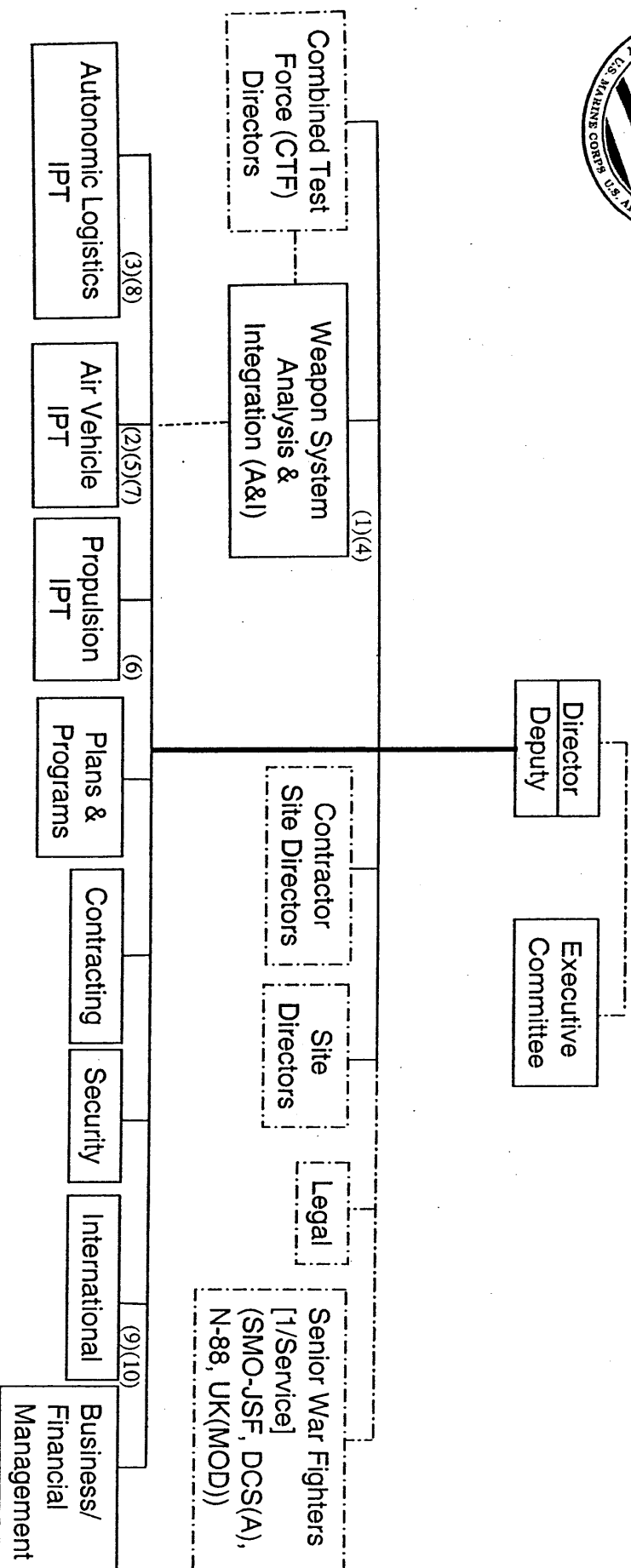
Minister of State for
Defence Procurement

Title



Annex A

Supplement Management Structure



Note (1): Weapon System Analysis and Integration Deputy Director (U.K. National Deputy)

(2): Air Vehicle Software Integration Engineer

(3): Logistics Infrastructure Sub-IP T Lead

(4): Concept of Employment Officer

(5): Air Vehicle / Mission Systems (TBD)

(6): Propulsion Integration Engineer

(7): U.K. Weapons and Stores Integration Engineer

(8): Logistics Modeling and Analysis

(9): U.K. Deputy Program Manager (TBD)

(10): Administrative Officer (TBD)

Notes (1) through (10) indicate U.K. Cooperative Project Personnel (CPP).

ANNEX B
JSF COOPERATIVE PROJECT PERSONNEL

1.0. Purpose and Scope.

1.1. This Annex establishes the provisions which will govern the conduct of JSF Cooperative Project Personnel. The U.K. MOD will assign military members or civilian employees to the JSF Program Office and U.S. DoD field activities in accordance with Section III (Management (Organization and Responsibility)), Annex A (Supplement Management Structure) and this Annex. JSF Cooperative Project Personnel must be able to perform all the responsibilities for the positions assigned to them under this Supplement. Commencement of assignments will be subject to any requirements that may be imposed by the U.S. DoD or the U.S. Government regarding acceptance of JSF Cooperative Project Personnel, such as, but not limited to, visas and visit request documentation. The U.S. DoD and U.K. MOD EC representatives will determine the length of tour for the positions at the time of initial assignment.

1.2. JSF Cooperative Project Personnel will be assigned to the JSF Program Office or U.S. DoD field activities for Project work and will report to their designated supervisor within those organizations regarding that work. JSF Cooperative Project Personnel will not act as liaison officers for the U.K. MOD. However, such personnel may act from time to time on behalf of the U.K. MOD's EC representative if the latter so authorizes in writing.

1.3. JSF Cooperative Project Personnel will not be assigned to command or other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the U.S. Government.

2.0. Security.

2.1. The U.S. DoD and U.K. MOD EC representatives will establish the maximum level of security clearance required to permit JSF Cooperative Project Personnel to have access to Classified Information and Material and facilities in which Classified Information and Material are used in accordance with the Program Security Instruction (PSI) and Classification Guide (CG). Access to Classified Information and Material and facilities in which Classified Information and Material are used will be consistent with, and limited by, Section II (Objectives) and Section III (Scope of Work)

of the JSF EMD Framework MOU and the corresponding provisions of this Supplement, and will be kept to the minimum required to accomplish the work assignments.

2.2. The U.K. MOD will cause security assurances to be filed, through the U.K. Embassy, specifying the security clearances for the JSF Cooperative Project Personnel being assigned. The security assurances will be prepared and forwarded through prescribed channels in compliance with established U.S. procedures.

2.3. The Participants will use their best efforts to ensure that both U.K. MOD and U.S. DoD personnel assigned to the JSF Program Office or U.S. DoD field activities are aware of, and comply with, applicable laws and regulations pertaining to Controlled Unclassified Information and Classified Information and Material as well as the requirements of Section IX (Controlled Unclassified Information), Section X (Visits to Establishments), Section XI (Security), and paragraph 18.7 of Section XVIII (Amendment, Withdrawal, Termination, Entry into Effect, and Duration) of the JSF EMD Framework MOU and the corresponding provisions of this Supplement, and the PSI and CG. Prior to commencing assigned duties, JSF Cooperative Project Personnel will be required to sign the certification at Appendix A.

2.4. JSF Cooperative Project Personnel will at all times be required to comply with the security laws, regulations and procedures of the U.S. Government. Any violation of security procedures by JSF Cooperative Project Personnel during their assignment will be reported to the U.K. MOD for appropriate action. JSF Cooperative Project Personnel committing willful violations of security and export control laws, regulations, or procedures during their assignments will be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by the U.K. MOD.

2.5. All Classified Information and Material made available to JSF Cooperative Project Personnel will be considered as Classified Information and Material furnished to the U.K. MOD and will be subject to all of the provisions and safeguards provided for in Section XI (Security) of the JSF EMD Framework MOU, Section VIII (Security) of this Supplement, and the PSI and the CG.

2.6. JSF Cooperative Project Personnel will not have personal custody of Classified Information and Material or Controlled Unclassified Information, unless approved by the

JSF Program Office and as authorized by the U.K. MOD on a case-by-case basis. They will be granted access to such Information and material in accordance with Section IX (Controlled Unclassified Information) and Section XI (Security) of the JSF EMD Framework MOU and the provisions of the PSI during normal duty hours when access is necessary to perform Project work.

2.7. JSF Cooperative Project Personnel will not serve as a conduit between the U.S. DoD and U.K. MOD for requests for and/or transmission of Classified Information and Material or Controlled Unclassified Information unless specifically authorized by the PSI.

3.0. Administrative Matters.

3.1. Consistent with U.S. laws and regulations, JSF Cooperative Project Personnel will be subject to the same restrictions, conditions, and privileges as U.S. DoD personnel of comparable rank and in comparable assignments. Further, to the extent authorized by U.S. laws and regulations, JSF Cooperative Project Personnel and their authorized dependents will be accorded:

3.1.1. Exemption from any U.S. Government tax upon income received from the U.K. MOD.

3.1.2. Exemption from any U.S. Government customs and import duties or similar charges levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles.

3.2. Upon or shortly after arrival, JSF Cooperative Project Personnel will be informed by the JSF Program Office or U.S. DoD field activities about applicable laws, orders, regulations, and customs and the need to comply with them. JSF Cooperative Project Personnel will also be provided briefings arranged by the JSF Program Office or U.S. DoD field activities regarding applicable entitlements, privileges, and obligations such as:

3.2.1. Any medical and dental care that may be provided to JSF Cooperative Project Personnel and their dependents at U.S. DoD medical facilities, subject to applicable laws and regulations, including reimbursement requirements.

3.2.2. Purchasing and patronage privileges at military commissaries, exchanges, theaters and clubs for JSF

Cooperative Project Personnel and their dependents, subject to applicable laws and regulations.

3.2.3. Responsibility of JSF Cooperative Project Personnel and those dependents accompanying them to obtain motor vehicle liability insurance coverage in accordance with laws and regulations applicable in the area where they are residing. In case of claims involving the use of private motor vehicles by JSF Cooperative Project Personnel and their dependents, the recourse will be against such insurance.

3.3. The JSF PD, through the JSF Program Office and U.S. DoD field activities, will establish standard operating procedures for JSF Cooperative Project Personnel in the following areas:

3.3.1. Working hours, including holiday schedules.

3.3.2. Leave authorization, consistent to the extent possible with the military or civilian personnel regulations and practices of both Participants.

3.3.3. Dress regulations, consistent to the extent possible with the military or civilian personnel regulations and practices of both Participants.

3.3.4. Performance evaluations, recognizing that such evaluations must be rendered in accordance with the U.K. MOD's military or civilian personnel regulations and practices.

3.4. JSF Cooperative Project Personnel committing an offense under the laws of the government of either Participant may be withdrawn from this Project with a view toward further administrative or disciplinary action by the U.K. MOD. Disciplinary action, however, will not be taken by the U.S. DoD against JSF Cooperative Project Personnel, nor will JSF Cooperative Project Personnel exercise disciplinary authority over U.S. DoD personnel. In accordance with U.S. laws, regulations, and procedures, the U.S. DoD will assist the U.K. MOD in carrying out investigations of offenses involving JSF Cooperative Project Personnel.

APPENDIX 1 TO ANNEX B
**CERTIFICATION OF CONDITIONS AND RESPONSIBILITIES
FOR JSF COOPERATIVE PROJECT PERSONNEL**

I understand and acknowledge that I have been accepted for assignment to the JSF Program Office or U.S. DoD field activities pursuant to the JSF EMD Framework MOU and U.S.-U.K. Supplement. Capitalized terms in this certification have the meanings defined in that MOU and Supplement. In connection with this assignment, I further understand, acknowledge, and certify that I shall comply with the following conditions and responsibilities:

1. The purpose of the assignment is to provide my expertise to the Project. There shall be no access to Information except as required to perform the duties described in the Integrated Project Team Personnel Position Description (IPT PDD) of the position to which I am assigned, as determined by my designated supervisor.

2. I shall perform only functions which are properly assigned to me as described in the IPT PDD for my assignment and shall not act in any other capacity to the U.S. DoD on behalf of my government or the U.K. MOD.

3. All Project Information to which I may have access during this assignment shall be treated as Information provided to the U.K. MOD in confidence and shall not be further released or disclosed by me, except as authorized by the MOU and Supplement.

4. When dealing with individuals outside of my immediate office of assignment on official matters, I shall inform such individuals that I am a foreign JSF Cooperative Project Person.

5. I have been briefed on, understand, and shall comply with the applicable laws and regulations pertaining to Controlled Unclassified Information and Classified Information and Material as well as the requirements of Section IX (Controlled Unclassified Information), Section X (Visits to Establishments), Section XI (Security), and paragraph 18.7 of Section XVIII (Amendment, Withdrawal, Termination Entry into Effect, and Duration) of the MOU and the corresponding Sections of the Supplement, and the provisions of the PSI and CG.

6. I shall immediately report to my designated supervisor all unauthorized attempts to obtain Classified Information and Material or Controlled Unclassified Information to which I may have access as a result of this assignment.

(Typed Name)

(Signature)

(Rank/Title)

(Date)